



State of Utah

Department of
Natural Resources

MICHAEL R. STYLER
Executive Director

Division of
Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

April 9, 2007

Mr. John Hewitt, contact for
Interstate Brick Company
PABCO Building Products, LLC
9780 South 5200 West
West Jordan, Utah 84088

Subject: Notice of Return of Reclamation Surety Bond Number _____, Pabco
Building Products, LLC DBA Interstate Brick Company, Henefer Stockpiles,
S/043/011, Summit County, Utah

Dear Mr. Hewitt:

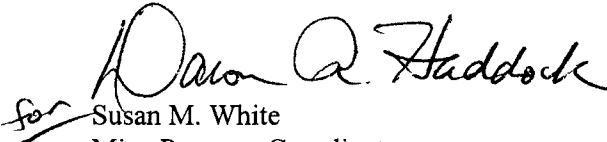
The Corporate Surety bond filed with the Division by on or behalf the obligor on March 30, 2007, in connection with an effort to bond the following permit: S/043/011, in the amount of \$18,600.00, is hereby returned as unacceptable for the following reason(s):

- **The bond is missing the company seal as required (see bond page 3);**

Please correct the indicated deficiencies immediately, and resubmit the surety bond to the Division. Surety approval cannot occur until all requested information has been received.

Please direct correspondence and inquiry to, Surety Coordinator, Ms. Beth Ericksen, (801) 538-5318 or bethericksen@utah.gov. Thank you in advance for your prompt attention to this important permitting requirement.

Sincerely,


for Susan M. White
Mine Program Coordinator
Minerals Regulatory Program

SMW:BE:be

Enc: Original Surety Bond issued by Western Surety Company
cc: Beth Ericksen, DOGM (w/enc copy bond)
Lynn Kunzler, DOGM

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May 24, 2006

Bond Number _____
Surety NAIC No. _____
Permit Number _____
Mine Name Henefer Stockpiles

ATTACHMENT A
To
RECLAMATION CONTRACT
BETWEEN PRINCIPAL AND DIVISION

RECEIVED
MAR 30 2007
DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
Division of Oil, Gas and Mining
1594 West North Temple Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
Telephone: (801) 538-5291
Fax: (801) 359-3940

THE UTAH MINED LAND RECLAMATION ACT

SURETY BOND

The undersigned PABCO Building Products, LLC,
a Corporation DBA Interstate Brick Company, as Principal,
organized under the laws of the State of California and
Western Surety Company, as Surety, a Corporation
organized under the laws of the State of So. Dakota, hereby jointly and severally bind ourselves,
our heirs, administrators, executors, successors, and assigns, jointly and severally, unto the State of
Utah, Division of Oil, Gas and Mining ("Division") and N/A
(other agency, if any) in the penal sum of Eighteen Thousand Six Hundred
dollars (\$ 18,600.00).

This Surety Bond is provided to secure the obligations of the Principal, as set forth by the terms
and conditions of the Reclamation Contract, and any addendums thereto, to reclaim lands that will be
affected by mining operations as identified in the Notice of Intention received, or approved if
applicable, by the Division on the 10th day of July, ~~20~~ 1989.

The lands that are covered by this Surety Bond are the Lands Affected by mining
operations as defined and described in the above Notice, and the Mining and
Reclamation Plan if required, subject to terms and conditions of the Reclamation
Contract.

The condition of this obligation is that if the Division determines that Principal has satisfactorily
reclaimed the disturbed lands in accordance with the Mining and Reclamation Plan or Notice and has
faithfully performed all requirements of the Mined Land Reclamation Act, and complied with the Rules

and Regulations adopted in accordance therewith, then this obligation shall be void; otherwise it shall remain in full force and effect. Failure of the Principal to fulfill the obligations specified by the Mined Land Reclamation Act and the Rules adopted there under, and in accordance with the specification of the Principal's Mining and Reclamation Plan or Notice, may result in forfeiture of this bond in accordance with the applicable statutes and regulations.

If the Mining and Reclamation Plan or Notice provides for periodic partial reclamation of the lands affected, and if the lands are reclaimed in accordance with such Plan or Notice, Act and regulations, then Principal may apply for a reduction in the amount of this Surety Bond. In the converse, if the Mining and Reclamation Plan or Notice provides for a gradual increase in the lands affected or the extent of disturbance, then, the Division may require that the amount of this Surety Bond be increased, with the written approval of the Surety. The amount of reclamation surety may also be adjusted as a result of a periodic review by the Division, which shall take into account inflation/deflation based upon an acceptable Costs Index, or at the request of the operator.

This bond may be canceled by Surety after ninety (90) days following receipt by the Division and Principal of written notice of such cancellation. Written notice to the Division and Principal as required by this paragraph shall be provided by certified mail or by a courier service that provides proof of delivery by signature of the recipient. Surety's liability shall then, at the expiration of said ninety (90) days, cease and terminate except that Surety will remain fully liable for all reclamation obligations of the Principal incurred prior to the date of termination.

Principal and Surety and their successors and assigns agree to guarantee said obligation and to indemnify, defend, and hold harmless the Division from any and all expenses (including attorney fees) which the Division may sustain in the collection of sums due hereunder.

Surety will give prompt notice to Principal and to the Division of the filing of any petition or the commencement of any proceeding relating to the bankruptcy, insolvency, reorganization, or adjustment of the debts of Surety, or alleging any violation or regulatory requirements which could result in suspension or revocation of the Surety's license to do business.

Surety is licensed to do business in Utah and is rated by A. M. Best as A- or better or rated as having Financial Performance Rating (FPR) of 8 or better, and is listed in the U. S. Department of Treasury's Circular "570." Upon incapacity of the Surety by reason of bankruptcy, insolvency, or suspension or revocation of its license, or upon failure to maintain the A. M. Best or FPR rating and listing on Circular "570", Principal shall be without adequate bond coverage as required by the Division and shall have 120 days after notice to replace the bond with other bonds acceptable to the Division. If the Principal does not replace this surety bond as required, the Division may order cessation of mining operations and commence actions to enforce its rights against the Surety. The Surety's liability shall continue and the Surety will remain fully liable for all reclamation obligations of the Principal incurred until this surety bond is forfeited, or the conditions of this obligation have been satisfied.

IN WITNESS WHEREOF, the Principal and Surety hereunto set their signatures and seals as of the dates set forth below.

PABCO Building Products, LLC, DBA Interstate Brick Company

Principal (Permittee)



By (Name and Title typed):

Signature

Date

Surety Company

Western Surety Company

Surety Company Name

Thomas R. Hucik,

Surety Company Officer

Attorney-in-Fact

Title/Position

Signature

2998 Douglas Blvd., Suite 140

Street Address

Roseville, CA 95661

City, State, Zip

(877) 589-6952

Phone Number

March 26, 2007

Date

Page 4
MR-SUR
Attachment A
(revised May 24, 2006)

Bond Number _____
Surety NAIC No. _____
Permit Number _____
Mine Name **Henefer Stockpiles**

SO AGREED this _____ day of _____, 20 ____.

AND APPROVED AS TO FORM AND AMOUNT OF SURETY:

John R. Baza, Director
Utah State Division of Oil, Gas and Mining

*NOTE: Where one signs by virtue of Power of Attorney for a Surety, such Power of Attorney must be filed with this bond. If the Operator is a corporation, the bond shall be executed by its duly authorized officer.

AFFIDAVIT OF QUALIFICATION

On the _____ day of _____, 20 __, _____
personally appeared before me, who being by me duly sworn did say that he/she, the said
_____ is the _____ of
_____ and duly acknowledged that said instrument was signed on behalf
of said company by authority of its bylaws or a resolution of its board of directors and said
_____ duly acknowledged to me that said company executed the same, and that
he/she is duly authorized to execute and deliver the foregoing obligations; that said Surety is authorized
to execute the same and has complied in all respects with the laws of Utah in reference to becoming
sole surety upon bonds, undertaking and obligations.

Signed: _____
Surety Officer

Title: _____

STATE OF _____)
_____) ss:
COUNTY OF _____)

Subscribed and sworn to before me this _____ day of _____, 20 ____.

Notary Public
Residing at: _____

My Commission Expires:

_____, 20 ____.

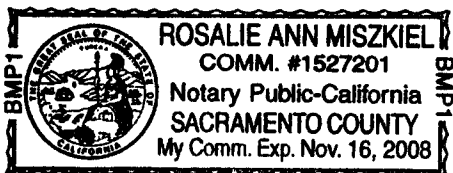
State of CALIFORNIA

County of Sacramento

On March 26, 2007 before me, Rosalie Ann Miskiel, Notary Public,
DATE NAME, TITLE OF OFFICER - E.G., "JANE DOE, NOTARY PUBLIC"

personally appeared Thomas R. Hucik,
NAME(S) OF SIGNER(S)

☒ personally known to me - OR - ☐ proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.

SIGNATURE OF NOTARY

Rosalie Ann Miskiel

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER

DESCRIPTION OF ATTACHED DOCUMENT

- ☐ INDIVIDUAL
☐ CORPORATE OFFICER

- TITLE(S)
☐ PARTNER(S) ☐ LIMITED
☒ ATTORNEY-IN-FACT ☐ GENERAL
☐ TRUSTEE(S)
☐ GUARDIAN/CONSERVATOR
☐ OTHER: _____

TITLE OR TYPE OF DOCUMENT

NUMBER OF PAGES

SIGNER IS REPRESENTING:

NAME OF PERSON(S) OR ENTITY(IES)

Western Surety Company

DATE OF DOCUMENT

SIGNER(S) OTHER THAN NAMED ABOVE

Western Surety Company

POWER OF ATTORNEY APPOINTING INDIVIDUAL ATTORNEY-IN-FACT

Know All Men By These Presents, That WESTERN SURETY COMPANY, a South Dakota corporation, is a duly organized and existing corporation having its principal office in the City of Sioux Falls, and State of South Dakota, and that it does by virtue of the signature and seal herein affixed hereby make, constitute and appoint

Thomas R Hucik, Jo Anne Hucik, Rosalie A Miskiel, P A Gouker, Individually

of Folsom, CA, its true and lawful Attorney(s)-in-Fact with full power and authority hereby conferred to sign, seal and execute for and on its behalf bonds, undertakings and other obligatory instruments of similar nature

- In Unlimited Amounts -

and to bind it thereby as fully and to the same extent as if such instruments were signed by a duly authorized officer of the corporation and all the acts of said Attorney, pursuant to the authority hereby given, are hereby ratified and confirmed.

This Power of Attorney is made and executed pursuant to and by authority of the By-Law printed on the reverse hereof, duly adopted, as indicated, by the shareholders of the corporation.

In Witness Whereof, WESTERN SURETY COMPANY has caused these presents to be signed by its Senior Vice President and its corporate seal to be hereto affixed on this 3rd day of November, 2006.



WESTERN SURETY COMPANY

Paul T. Bruflat, Senior Vice President

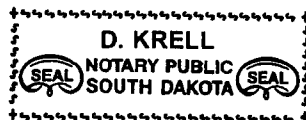
State of South Dakota
County of Minnehaha

} ss

On this 3rd day of November, 2006, before me personally came Paul T. Bruflat, to me known, who, being by me duly sworn, did depose and say: that he resides in the City of Sioux Falls, State of South Dakota; that he is the Senior Vice President of WESTERN SURETY COMPANY described in and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to the said instrument is such corporate seal; that it was so affixed pursuant to authority given by the Board of Directors of said corporation and that he signed his name thereto pursuant to like authority, and acknowledges same to be the act and deed of said corporation.

My commission expires

November 30, 2012



D. Krell, Notary Public

CERTIFICATE

I, L. Nelson, Assistant Secretary of WESTERN SURETY COMPANY do hereby certify that the Power of Attorney hereinabove set forth is still in force, and further certify that the By-Law of the corporation printed on the reverse hereof is still in force. In testimony whereof I have hereunto subscribed my name and affixed the seal of the said corporation this **26th** day of **March, 2007**



WESTERN SURETY COMPANY

L. Nelson, Assistant Secretary